

[By Ryan Grim](#)

House Democrats responding to the recent announcement of a new Bank of America debit card fee are calling for a Department of Justice investigation into Wall Street banks, charging that the timing of that announcement and the announcement of similar fees at other banks suggests possible collusion among the major players.

Bank of America, SunTrust, JPMorgan Chase and Wells Fargo have all recently announced new debit card fees. The banks cite a need to raise revenue to make up for diminished profits coming from merchant swipe fees as a result of recently passed reform legislation.

The Democrats, Reps. Pete Welch (Vt.), Keith Ellison (Minn.), Raul Grijalva (Ariz.) and John Conyers (Mich.), said in a letter to Attorney General Eric Holder that the timing of the fee hikes raises enough suspicion to warrant an investigation.

It is entirely legal for banks to coordinate their lobbying and political activity, as they did to combat swipe fee reform. As part of that lobbying fight, banks regularly warned that if the fee they were allowed to charge merchants for accepting customers' debit cards was reduced, the banks would raise debit card fees in other ways. That, too, is well within banks' lobbying rights. But coordinating the fee hikes themselves could earn them a seat under a DOJ lamp.

Earlier this month, the American Bankers Association, acting on behalf of major banks, sent a letter to Congress explaining the reasoning for the fee hikes, underscoring the thin line between coordinating political activity and business practices.

Welch, the lead author of the letter to Holder, cited, among other public statements by bank representatives, an email sent by the Texas Bankers Association to its members following the banks' loss in the Senate.

"Now, the industry must regroup and each and every one of you must decide how you are going

to pay for the use of debit cards. It may be through a monthly fee; it may be by using a 'prepaid' card as opposed to a debit card; it may be that there is a way to not offer retailers instant credit for the transactions, limiting the amounts that can be charged, etc. I would also think you will be considering not paying for debit card fraud like many of you have been for a long time," the email read.

The new debit fees have prompted a legislative response as well, with Rep. Brad Miller (D-N.C.) pushing legislation that would make it easier for people to move their money from a big bank to a credit union or community bank. The Progressive Change Campaign Committee launched a national campaign to petition Congress to give Miller's bill a vote.